25X1



National Intelligence Bulletin

25X1

Top Secret

February 10, 1976

25X1

25X6

25X6

25X1

National Intelligence Bulletin

February 10, 1976

CONTENTS

ITALY: Moro to form one-party minority government
FRANCE: Results of French Communist Party congress
ICELAND-UK-NATO: NATO official to meet with British on fishing dispute
GREECE: Increasing difficulty containing left and right extremes
YUGOSLAVIA: Tito's health apparently improved
BALKAN AREA: Conference identifies nonpolitical areas of cooperation
INDONESIA: Jakarta thwarts UN fact-finding team on Timor

February 10, 1976

ITALY

Aldo Moro apparently has been able to circumvent resistance in his Christian Democratic Party to forming a one-party minority government. He is expected to report back to President Leone today and begin drawing up a cabinet.

The Christian Democratic directorate was sharply divided on Friday over whether to expose the party to the risks of governing alone. Opponents of the idea argued that a Christian Democratic government would quickly find itself in trouble, because Moro had failed to win solid enough backing from the other center-left parties for his economic program. The key parties—Socialists and Republicans—had offered to abstain on a parliamentary confidence vote—thus permitting a government to be formed—but had reserved the right to oppose portions of the economic program.

Although Moro did not persuade the two parties to change their positions, he managed to improve the atmosphere over the weekend by getting Socialist chief De Martino to make a public promise of "maximum good will" in parliamentary debate on the economic package. That, combined with a push from President Leone, who strongly supported Moro's effort in a statement on Sunday, apparently helped Moro and his chief ally, Christian Democratic leader Zaccagnini, to outmaneuver Christian Democrats opposed to forming a government.

Hampered by divisions in his own party and dependent on a volatile parliamentary majority, Moro will be heading the most fragile government Italy has had since 1972. Moro recognizes this, but is trying to buy time in the hope that the Christian Democrats and Socialists will be able to iron out their differences after party congresses tentatively scheduled for March. The question of early parliamentary elections will resurface if the two parties cannot come to terms then.

None of the governing parties is satisfied by the outcome of Moro's month-long negotiations, but the Communist Party will see more advantages than disadvantages in the new situation.

The avoidance for now of early elections gives the Communists more time to build on the local electoral gains they scored last summer, while the weakness of Moro's new government will increase the Communists' opportunities to exert behind-the-scenes influence in parliament. Meanwhile, the Communists will, as they have for the last month, point to the political deadlock as further evidence that their party ultimately must be brought into the government.

February 10, 1976

FRANCE

The French Communist Party congress ended on Sunday, with the delegates—as expected—unanimously supporting George Marchais' proposals designed to move the party away from Soviet-style orthodoxy.

Marchais called on the French Communists to modify their domestic image primarily by dropping references to the "dictatorship of the proletariat." He criticized Soviet efforts to "subject" other parties to a "uniform dogma" and to restrict human rights in the USSR and Eastern Europe. At the same time, Marchais emphasized his party's continued desire to cooperate with Moscow in the "joint struggle against imperialism." The French party has few conflicts of interest with Moscow on foreign policy, and the voters it is wooing are not deeply interested in those issues.

Marchais also revived an old communist proposal for a "union of the French people." His call for such a "union," based on an issue-by-issue agreement among "like-minded progressive forces," seems designed to test the possibility of a joint campaign with orthodox Gaullists against such government programs as popularly elected delegates to the European parliament. At least one orthodox Gaullist has already said the idea has possibilities

25X1

The major reaction has come from the Socialists, the Communists' major partner in the left alliance, who see Marchais' proposal as an effort to outflank them on the right. In an official party statement issued before the congress, the Socialists argued that the Communist effort to present a liberal image was a political ploy designed to offset Socialist electoral gains rather than a real decision to reform.

25X1

In Moscow's view, the French party's "declaration of independence" is a painful blow with profound and disturbing implications. As the French party moves in the direction of the Italian, it seems to reinforce a pattern, dismaying to Moscow, in which the growth and success of Western parties is concomitant with their deviation from the Soviet line. Moscow's banner of world communist leadership will be further frayed and a new temptation will be created for the East European parties.

25X1

25X1

25X1

National Intelligence Bulletin

February 10, 1976

The Soviets can hardly ignore Marchais' open attacks, aimed as they were at some of the most sensitive points in Soviet doctrine and practice. Even before the French party congress, the Soviets sent out an unusual letter on "anti-Sovietism" to all fraternal communist parties, in which the Soviets tried to defend themselves against various criticisms launched by "imperialists" but also by certain communist parties.

par cool	
	Τ
	_

The Soviet rebuttal of Marchais' charges will probably continue, but the Soviets, who abhor open ideological splits in the communist movement, will refrain from pushing the dispute to the breaking point. This does not mean, however, that they will supinely accept the French party's deviation. Recognizing that overt pressure would be counterproductive, they will probably try to get the French back in line by more subtle gradual methods.

pressure would be counterproductive, they	<u>/ w</u>	vill probably try to get the French back
in line by more subtle, gradual methods.	ĺ	
	_	
	_	1
		· ·

Next 2 Page(s) In Document Exempt

February 10, 1976

ICELAND-UK-NATO

NATO Secretary General Luns arrives in London tomorrow for another round of talks with British officials on ending the fishing dispute with Iceland.

British Prime Minister Wilson outlined a bargaining package designed to get negotiations going again. London will ask Luns to relay an offer to reduce the number of trawlers within the 200-mile zone, restrict the catch, and agree to respect all conservation zones. In addition, London would withdraw its warships if Reykjavik agrees to stop harassing British trawlers during the Luns mission.

Reykjavik refused to curtail its harassment tactics last month while Luns was on a similar mission. London was forced to withdraw its frigates, thereby leaving its trawlers unprotected, before Reykjavik would agree to talks. Trawl-cutting incidents continued during the talks, and Wilson eventually ordered the fishermen to haul in their nets if individually challenged.

Luns' task in Reykjavik will not be easy. The Icelanders will probably be even more determined than they were during his last visit when he labeled the Icelandic negotiating position "intransigent." In the meantime, Britain has incensed the Icelanders by sending back its frigates to the disputed zone. In addition, domestic political pressures have risen to the point which will make it very difficult for the Icelandic government to make any major concessions.

Iceland plans to withhold the posting of a new ambassador to London during the current tense situation in the fishing dispute. The last Icelandic ambassador was transferred to Bonn recently and, although his replacement is ready to go to London, the new ambassador is being withheld as a protest.

February 10, 1976

GREECE

The Caramanlis government is facing increasing difficulty in containing the left and right extremes while also preserving Greece's fragile democracy.

Last month, Prime Minister Caramanilis ordered the arrest of a rightist newspaper publisher for charging that the government and opposition were collaborating to discredit the military,

25X1

25X1

February 10, 1976

YUGOSLAVIA

25X1

25X1

25X1

President Tito's brief appearance on Yugoslav television Saturday and staff preparations for his foreign travel next month suggest that his latest health problems are not serious enough to immobilize him.

	occuse of a Boar v	vith sciatica and influ	40124.	
	+			
			leshed out. He is sched	
to visit Mexico fro Sweden, if all the p			to Cuba. Later he will	visit

Approved For Release 2005/01/05 : CIA-RDP79T00975A028600010016-7

February 10, 1976

BALKAN AREA

The communique of the recent 11-day conference of all the Balkan countries, except Albania, keeps the door ajar for similar future gatherings.

The participants, middle-level officials who met in Athens from January 26 to February 5, managed to identify a number of nonpolitical areas of cooperation for their governments to consider, including agriculture, commerce, energy, transportation, telecommunications, and the environment. The communique makes clear that a second conference will depend on whether the participating governments decide that such multilateral cooperation would be "useful and acceptable." Yugoslav press accounts do assert that "most" participants are convinced that a second session will be held soon.

The conference was inspired by Greek Prime Minister Caramanlis, who viewed it as an opportunity to apply on the regional level the principles of detente adopted at Helsinki last summer. He also considered it a way to secure his country's northern flank against any possible adventurist actions by Turkey. Although most delegates evidently tried to avoid politics, some reports claim that the Bulgarians clashed with the Romanians over Bucharest's alleged effort to promote transformation of the Balkans into a "zone of peace." The other participants, particularly Yugoslavia and Romania, had from the outset regarded Bulgaria's role as that of a Soviet surrogate.

February 10, 1976

INDONESIA

The Indonesians have thwarted the UN fact-finding team's efforts to visit Fretilin-held areas of East Timor.

Secretary General Waldheim's special representative left Australia for Geneva on February 8 after trying for a week to arrange safe passage to consult Fretilin leaders in East Timor. Waldheim, who is visiting Australia, said he did not consider the representative's mission terminated, but set no timetable for his return.

Jakarta paid lip service to the need to support the UN mission's efforts, but at the same time accelerated the military occupation of remaining population centers and airfields. The Indonesians then professed to be unable to guarantee safe passage because of the unsettled situation and left the UN representative with no other option than to meet Fretilin representatives in exile in Australia.

Jakarta will now attempt to delay raising the Timor issue at the UN as long as	
possible. The Indonesians hope that by the time the topic does come up for	
consideration, they will be in a position to argue that Timor's integration into	
Indonesia is an accomplished fact and that the UN no longer has a role to play.	

Approved For Release 2005/01/05 : CIA-RDP79T00975A028600010016-7 **Top Secret**

Top Secret

,		_